



Edw. B. Stephenson & Co.,
CPAs Chartered

**CERTIFIED
PUBLIC
ACCOUNTANTS**

**COWLEY COUNTY MENTAL HEALTH
AND
COUNSELING CENTER**

COWLEY COUNTY, KANSAS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

**1002 Main - P.O. Box 743
Winfield, Kansas 67156
620-221-9320**

**COWLEY COUNTY MENTAL HEALTH
AND
COUNSELING CENTER**

COWLEY COUNTY, KANSAS

FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

EDW. B. STEPHENSON & CO., CPAs CHARTERED
Certified Public Accountants
Winfield, Kansas

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

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INDEPENDENT AUDITORS' REPORT

**EDW. B
STEPHENSON
& CO., CPAs
CHARTERED**

EDW. B. STEPHENSON
(1905-1985)

JAMES R. DOBBS
(1927-1997)

HARRY L. SHETLAR, JR.
(1931-2000)

MORRIS W. JARVIS
(1935-1999)

N. DEAN BRADBURY
(1936-2005)

LOREN L. PONTIOUS
(Retired)

SHAREHOLDERS

AARON R. IVERSON, CPA
MAURICE P. ROBERTS, CPA

ACCOUNTANTS

HEIDI M. HUENEGARDT, CPA

To the Board of Directors
Cowley County Mental Health and Counseling Center
Cowley County, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Cowley County Mental Health and Counseling Center, Cowley County, Kansas, a Municipal Financial Reporting Entity as of and for the year ended June 30, 2014 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness

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of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Center to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with the accounting principles generally accepted in the United States of America, the financial position of the Cowley County Mental Health and Counseling Center as of June 30, 2014, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Cowley County Mental Health and Counseling Center as of June 30, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* as described in Note 1.

Other Matters

Other Reporting Required by Kansas Department of Children and Families Recipient Monitoring Policy

In accordance with *DCF Recipient Monitoring Policy*, we have also issued a report dated November 5, 2014, on our consideration of the Cowley County Mental Health and Counseling Center's internal control over financial reporting and our test of its compliance with certain laws, regulations, contracts, and grants. That report is an integral part of an audit performed in

accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The accompanying Appendices -A- through -E- are presented for the purposes of additional analysis as required by the Kansas Department of Children and Families Recipient Monitoring Policy, and are not a required part of the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated, in all material respects, in relation to the basic financial statement taken as a whole.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2014 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts, and expenditures-actual and budget, (Schedules, 1, 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2014 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 information has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual columns presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2013 basic financial statement upon which we rendered an unqualified opinion dated November 15, 2013. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of Kansas Department of Administration, Office of Management Analysis and Standards at the following line <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 financial statement as a whole, on the basis of accounting described in Note 1.

Other

The accompanying financial statements have been prepared assuming that the Cowley County Mental Health and Counseling Center will continue as a going concern. As discussed in Note XI to the financial statements, the Center has merged with Four County Mental Health on July 1, 2014. This condition raises substantial doubt about its ability to continue as a going concern. Management's plans regarding this matter also is described in Note XI. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Restricted Use

This report is intended solely for the information and use of the Board of Directors and administration of the Cowley County Mental Health and Counseling Center, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and the Kansas Department of Children and Family Services, and should not be used for any other purpose.

Edw. B. Stephenson & Co., CPAs Chartered

Edw. B. Stephenson & Co., CPAs Chartered

November 5, 2014

FINANCIAL SECTION

Statement -1-

Composition of Cash:

\$ 700.00

Checking Account

862.439.96

150,653.65

150,653.65

\$1,013,793.61

The notes to the financial statement are an integral part of this statement.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. MUNICIPAL FINANCIAL REPORTING ENTITY

The Cowley County Mental Health and Counseling Center is a governmental entity created under K.S.A. 19-4001, to provide mental health and counseling services to Cowley County residents. Under K.S.A. 19-4001, a mental health center established by a county is not considered a separate legal entity. Accordingly, Statement No. 14 of the Governmental Accounting Standards Board (GASB) considers the Cowley County Mental Health and Counseling Center to be a component unit of the Cowley County primary government.

B. BASIS OF PRESENTATION – REGULATORY BASIS FUND TYPES

The financial transactions of the Center are recorded in individual funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounting recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following type of fund comprises the financial activities of the Center for the year ended June 30, 2014:

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrances obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The Center Board of Directors has approved a resolution that is in compliance with K.S.A. 75-1120a(c) waiving the requirement for application of generally accepted accounting principles and allowing the Center to use the regulatory basis of accounting.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

There are no legal requirements for the Center to prepare or abide by an annual budget. The budget presented in the supplementary information was prepared for administration's use and approved by the Board of Directors of the Center on the basis of accounting reflected in the financial statement. Encumbrances/accounts payable are reflected in the budget.

B. COMPLIANCE WITH KANSAS STATUTES

There were no statutory violations noted during the course of the audit.

C. OTHER LEGAL AND COMPLIANCE VIOLATIONS

There were no other violations of legal or grant compliance requirements noted during the course of the audit.

III. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Center. The statute requires banks eligible to hold the Municipality's funds have a main or branch bank in the county in which the Municipality is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires banks to pledge securities for deposits in excess of FDIC coverage. The Center has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Center's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes, no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Center has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Center may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that, in the event of a bank failure, the Center's deposits may not be returned to it. State statutes require the Center's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Center has no peak depository period designations. All deposits were legally secured at June 30, 2014.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER

**COWLEY COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014**

At June 30, 2014, the Center's carrying amount of deposits was \$1,013,793.61 and the bank balance was \$1,030,160.72. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000.00 was covered by federal depository insurance, and \$780,160.72 was collateralized with securities held by the pledging financial institutions' agents in the Center's name.

IV. LONG-TERM DEBT

A summary of changes in long-term debt of Cowley County Mental Health and Counseling Center for the year ended June 30, 2014 is presented on page 9. Annual debt service requirements to maturity for long-term debt are summarized on page 9.

A. INTERLOCAL AGREEMENT -- COWLEY COUNTY, KANSAS

The Cowley County Commission and the Center entered into a verbal agreement on an advance against future mill levy money, dated July 19, 1996, to a commitment of \$355,000, for the purpose of constructing a new office building. The terms of the commitment call for the repayment over a 20-year period. There was a written agreement signed on December 31, 2003. This written agreement calls for fifteen annual payments not a reduction of future revenue, to begin on December 31, 2004.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

Changes in long-term liabilities for the Cowley County Mental Health and Counseling Center for the year ended June 30, 2014, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
Cowley County Agreement	4.9 - 6.5%	11/01/2000	\$ 200,000.00	11/01/2014	\$ 40,000.00	\$ -	\$ 40,000.00		\$ -	\$ 1,670.00
Compensated Absences	N/A	N/A	N/A	N/A	95,638.77	-	-	\$ (26,998.92)	68,639.85	-
Total Long Term Debt					<u>\$ 135,638.77</u>	<u>\$ -</u>	<u>\$ 40,000.00</u>	<u>\$ (26,998.92)</u>	<u>\$ 68,639.85</u>	<u>\$ 1,670.00</u>

Current maturities of long-term debt and interest for the five years and in five year increments through maturity are as follows:

Principal	Year					Total
	2015	2016	2017	2018	2019	
Cowley County Agreement						
Total Principal			\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cowley County Agreement						
Total Interest			\$ -	\$ -	\$ -	\$ -
Total Principal and Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER

COWLEY COUNTY, KANSAS NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED JUNE 30, 2014

V. LEASES

The Center currently leases one property. On September 1, 1998, the Center entered into a long-term operating lease with Strother Field Airport/Industrial Park, a division of the Arkansas City/Winfield municipalities, for land to site the Center's new office building. The lease term is for 25 years, with five renewal periods of five years each. Annual payments are to be \$1,800 in advance, due on the anniversary date of the lease.

In September 2011, the Center entered into a twelve (12) month lease agreement for a building located across from their facility in the Strother Field Airport/Industrial Park. Monthly payments were to be in the amount of \$4,200.00. The lease expired September 1, 2012, at which time became a month to month lease.

The five succeeding years of lease payments are:

Year Ended June 30	Land Lease Main Facility
2015	\$ 1,800.00
2016	1,800.00
2017	1,800.00
2018	1,800.00
2019-2024	9,000.00
Total	<u>\$ 16,200.00</u>

The Center then entered into a lease for a new copier on January 29, 2010. This is an operating lease for a new copier, and extending the lease for the old copier originally leased on November 5, 2007, with monthly payments of \$238.11 over five years. The lease terminates and the Center will have the option to buy at the fair market value at the date of termination. The current year payments totaled \$2,900.68

A second copier is leased with monthly payments of \$246.87. The current year payments totaled \$2,907.27.

There are no contingent rental payments; lease payments for renewal periods will be determined at renewal, but not for less than the payment for the period immediately preceding, and no restrictions on dividends, additional debt, or further leasing, except for the requirement for prior approval of the lessor.

VI. EMPLOYEE PENSION PLAN

The Center has established a 457 plan effective November 5, 2013 replacing the 403(b) plan. The Center no longer contributes to the plan.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

VII. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

A. COMPENSATED ABSENCES

1. Vacation

The Center provides paid vacation time for its full-time employees. Employees earn twelve days of vacation per year in the first and second years of continuous employment, fifteen days per year in the third through fifth years of continuous employment, eighteen days per year in the sixth through tenth year of continuous employment, and twenty-one days per year after eleven years of continuous employment. It is the Center's policy to compensate terminating employees for their earned but unused vacation time up to a limit of six weeks accumulated vacation. At June 30, 2014, earned but unused vacation amounted to \$68,639.85. This amount is not considered an expenditure under the basis of accounting described in Note I. and, therefore, is not reflected in the financial statements.

2. Sick Leave

The Center also provides sick leave benefits to employees at the rate of six hours per month worked. Sick leave may be carried from one year to the next, but the accrual total may not exceed 480 hours. Sick leave begins accruing from the date of employment and cannot be accessed until after 30 days of continuous employment. No payment is made for accrued sick leave upon separation of employment under any circumstances.

VIII. ENCUMBRANCES AND ACCOUNTS PAYABLE

As noted previously, the Center is on the regulatory basis of accounting, which calls for the recognition of encumbrances and accounts payable, without distinction. Both are charged to expenditures as incurred, and are shown as liabilities of the Center. The amount of these debts on June 30, 2014 is \$154,402.75.

IX. RISK MANAGEMENT

The Center is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The Center has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2013 to 2014 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the Center is a party to various claims, legal actions and complaints. It is the opinion of the Center's management and legal counsel that these matters are not anticipated to have a material financial impact on the Center.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

X. SUBSEQUENT EVENTS

On July 1, 2014, The Center merged with Four County Mental Health Center. Four County Mental Health Center will take over all management functions of The Center.

The Center's Chief Financial Officer Lacey Pool left to accept another position on August 15, 2014.

XI. GOING CONCERN

For financial reporting purposes, continuation of governmental unit as a going concern is assumed in the absence of significant information to the contrary. Ordinarily, information that significantly contradicts the going concern assumption relates to the Center's ability to continue to meet its obligations as they become due without an extraordinary advance of funding by the primary government Cowley County, Kansas or substantial disposition of assets outside the ordinary course of operations, externally forced revision of its operations, or similar actions.

The Center ceased to exist as of July 1, 2014 when it merged with Four County Mental Health Center.

**REGULATORY - REQUIRED
SUPPLEMENTARY INFORMATION**

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Schedule -1-

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Current Year Expenditures Chargeable to Budget	Variance - Over (Under)
General	\$ -	\$ -	\$ -	\$ -	\$ -
Budget Not Certified					
Totals	\$ -	\$ -	\$ -	\$ -	\$ -

The notes to the financial statement are an integral part of this statement.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2013)

Schedule -2-
Page 1 of 2

GENERAL FUND

	<u>2013</u>	<u>2014</u>
Cash Receipts		
Taxes - Cowley County, Kansas	\$ 215,000.00	\$ 70,000.00
State Aid	327,577.99	241,145.00
Fees for Service	3,166,211.24	3,542,240.48
Alcohol and Drug Abuse	15,259.63	25,019.30
Grant-TBRA	2,585.10	-
Grant-SHF	11,794.23	6,424.42
Grant-Sunflower	16,891.00	74,751.00
Grant- Federal: Employee Loan Payoff	18,089.46	-
Grant - Federal: Software	42,500.00	-
Grant - State: KDOT	38,572.00	10,000.00
Grant - Block	-	18,106.00
Grant - GMHI	-	142,631.00
Other Income	18,821.33	26,950.51
Waiver (SED)	394,272.25	-
Family Care Grant	74,655.00	-
Transitions Program	405,560.19	337,504.28
Interest	10.56	94.90
Donations/Gifts	3,734.92	-
Total Cash Receipts	<u>\$ 4,751,534.90</u>	<u>\$ 4,494,866.89</u>
Expenditures		
Salaries	\$ 2,650,523.91	\$ 2,241,693.59
Bonuses	686.63	410.58
Employee Taxes and Benefits	643,119.45	482,739.66
Education	14,052.18	23,854.59
Consultants	7,643.20	31,418.37
Screening	6,452.50	7,897.50
Client Activities	4,629.51	3,841.36
Travel/Meals and Entertainment	61,567.41	46,241.01
Vehicle Expense	131,664.01	50,338.93
Recruiting	30,147.34	22,600.69
Advertising	9,793.47	7,526.05
Dues/Subscriptions	13,678.42	17,388.44
Telephone	104,206.60	36,957.79
Postage	7,761.70	4,263.35
Supplies	24,246.53	25,210.00
Capital Outlay	543.32	7,878.52
Equipment/Building Maintenance	18,621.29	39,187.02
Utilities	59,999.94	52,331.37
Insurance	101,706.46	73,267.67
Rent	65,974.38	45,969.15
Contracts	15,709.86	97,198.92
Bond Costs	37,267.82	39,420.00
Other Operating Expense	31,549.96	60,410.18
Bank Charges	1,637.74	1,577.35
Janitor and Yard Work	12,094.74	13,965.86
Accounting and Legal	40,385.57	41,526.99
Interest	3,242.18	-
Subtotal Expenditures	<u>\$ 4,098,906.12</u>	<u>\$ 3,475,114.94</u>

The notes to the financial statement are an integral part of this statement.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2013)

Schedule -2-
Page 2 of 2

GENERAL FUND

	<u>2013</u>	<u>2014</u>
Expenditures Continued		
Transitions Programs Payments	\$ 246,863.20	\$ 221,181.29
Staff Recognition	-	-
Client Medications	-	30.00
Employee Gifts	74.35	230.49
Hospitality	556.49	825.87
Board Meeting	-	-
Computer Equipment	12,731.81	51,913.40
Computer Software	118,513.09	69,095.72
Rent-TBRA	2,421.00	-
Flex, Family Grant	18,858.65	3,922.03
Total Expenditures	<u>\$ 4,498,924.71</u>	<u>\$ 3,822,313.74</u>
Receipts Over (Under) Expenditures	\$ 252,610.19	\$ 672,553.15
Unencumbered Cash, Beginning	<u>(65,772.48)</u>	<u>186,837.71</u>
Unencumbered Cash, Ending	<u>\$ 186,837.71</u>	<u>\$ 859,390.86</u>

The notes to the financial statement are an integral part of this statement.

APPENDICES

DCF RECIPIENT MONITORING POLICY

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
SCHEDULE OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -A-

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursement/ Federal Expenditures</u>
Federal Awards:		
Department of Health and Human Services		
Kansas Department of Social Rehabilitation Services		
Block Grant for Community Mental Health Services	93.958	\$ 18,106.00
Total Federal Awards		<u>\$ 18,106.00</u>
State Awards:		
Kansas Department for Aging and Disability Services		
Interim Housing Grant	*	\$ 4,848.34
State Aid	*	129,623.00
Mental Health Reform	*	111,522.00
Governor's Mental Health Initiative	*	67,654.00
Governor's Mental Health Initiative - Regional Recovery- Indirect	*	74,977.00
Consumer Supported Housing Funds - Indirect	*	5,579.90
Kansas Department of Transportation		
5310 Coordinated Public Transportation Assistance	*	10,000.00
Total State Awards		<u>\$ 404,204.24</u>
Total Federal and State Awards		<u><u>\$ 422,310.24</u></u>

* No CFDA number provided by granting agency

Sec Auditors' Report

**EDW. B
STEPHENSON
& CO., CPAs
CHARTERED**

EDW. B. STEPHENSON
(1905-1985)

JAMES R. DOBBS
(1927-1997)

HARRY L. SHETLAR, JR.
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MORRIS W. JARVIS
(1935-1999)

DEAN BRADBURY
(1936-2005)

LOREN L. PONTIOUS
(Retired)

SHAREHOLDERS

AARON R. IVERSON, CPA

MAURICE P. ROBERTS, CPA

ACCOUNTANTS

HEIDI M. HUENEGARDT, CPA

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH DCF RECIPIENT
MONITORING POLICY**

To the Board of Directors
Cowley County Mental Health and Counseling Center
Cowley County, Kansas

We have audited the regulatory basis receipts, expenditures, and unencumbered cash balances of the Cowley County Mental Health and Counseling Center, Cowley County, Kansas, as of and for the year ended June 30, 2014, and have issued our report thereon dated November 5, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States, the *Kansas Municipal Audit and Accounting Guide*, and in accordance with *DCF Recipient Monitoring Policy*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Cowley County Mental Health and Counseling Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Cowley County Mental Health and Counseling Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, material weaknesses or significant deficiencies. Therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and

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questioned costs (2014-1), we identified one deficiency in internal control that we consider to be a material weakness.

Compliance and Other Matter


As part of obtaining reasonable assurance about whether the financial statements of Cowley County Mental Health and Counseling Center, are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters and are described in the accompanying schedule of findings and questioned costs as items (Finding 2014-1).

We noted certain other matters that we reported to management of the Cowley County Mental Health and Counseling Center, Cowley County, Kansas in a separate letter dated November 5, 2014.

Cowley County Mental Health and Counseling Center's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Cowley County Mental Health and Counseling Center's response and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose and is intended solely for the information and use of management, the Board of the Cowley County Mental Health and Counseling Center, and for filing with the Kansas Department of Children and Families, and should not be used for any other purpose.


Edw. B. Stephenson & Co., CPAs Chartered

November 5, 2014

**EDW. B
STEPHENSON
& CO., CPAs
CHARTERED**

EDW. B. STEPHENSON
(1905-1985)

JAMES R. DOBBS
(1927-1997)

HARRY L. SHETLAR, JR.
(1931-2000)

MORRIS W. JARVIS
(1935-1999)

N. DEAN BRADBURY
(1936-2005)

LOREN L. PONTIOUS
(Retired)

SHAREHOLDERS

AARON R. IVERSON, CPA

MAURICE P. ROBERTS, CPA

ACCOUNTANTS

HEIDI M. HUENEGARTD, CPA

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH *DCF RECIPIENT
MONITORING POLICY***

To the Board of Directors
Cowley County Mental Health and Counseling Center
Cowley County, Kansas

Compliance

We have audited Cowley County Mental Health and Counseling Center's compliance with the types of compliance requirements described in the *DCF Recipient Monitoring Policy* that could have a direct and material effect on each of the Center's major programs for the year ended June 30, 2014. The Center's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major state programs is the responsibility of the Center's management. Our responsibility is to express an opinion on the Center's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the Kansas Department of Social and Rehabilitation Services Recipient Monitoring Policy. Those standards and the *DCF Recipient Monitoring Policy* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Center's compliance with those requirements.

In our opinion, the Cowley County Mental Health and Counseling Center complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2014. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported and which are described in the accompanying schedule of findings and questioned costs as items (Finding 2014-1).

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Internal Control Over Compliance

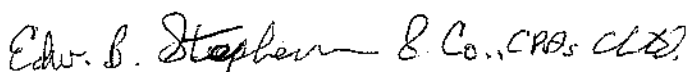
The management of the Cowley County Mental Health and Counseling Center is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Center's internal control over compliance with requirements that could have a direct and material effect on a major state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *DCF Recipient Monitoring Policy*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal (state) program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. Therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and questioned costs, (Finding 2014-1), we identified a deficiency in internal control that we consider to be a material weakness. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Cowley County Mental Health and Counseling Center's response to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Center's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management of the Center, the Center's Board of Directors and for filing with the Kansas Department of Children and Families, Office of Audit and Consulting Services, and is not intended to be and should not be used by anyone other than these specified parties.



Edw. B. Stephenson & Co., CPAs Chartered
November 5, 2014

**COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

Appendix -D-
Page 1 of 2

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statement of Cowley County Mental Health and Counseling Center.
2. One material weakness relating to the audit of the financial statements are reported in the "Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *DCF Recipient Monitoring Policy*."
3. One instance of noncompliance material to the financial statement of Cowley County Mental Health and Counseling Center were disclosed during the audit.
4. One material weakness relating to the audit of the major federal award programs are reported in the "Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with *DCF Recipient Monitoring Policy*."
5. The auditors' report on compliance for the major State award programs for Cowley County Mental Health and Counseling Center expresses an unqualified opinion.
6. Audit findings relative to the major State award programs for the Cowley County Mental Health and Counseling Center are reported in Part C of this Schedule.
7. The threshold for distinguishing the type of audit required is \$300,000 in State awards expended as required by *DCF Recipient Monitoring Policy*.
8. The Cowley County Mental Health and Counseling Center was determined not to be a low-risk auditee.

**COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

Appendix -D-
Page 2 of 2

**B. FINDINGS AND QUESTIONED COSTS - MAJOR STATE AWARD
PROGRAMS AUDIT**

FINDING 2014-1 Material Weakness in Internal Control

Condition and Criteria: The Center does not have an effective internal control process in place to adequately insure compliance with grant requirements for reporting data.

Effect: MHR Grant. The Center is required to report client updates using AIMS through the Consortium by the 15th of the following month. The Center was unable to provide support to verify the reports were submitted in a timely manner.

Effect: MHR Grant. The Center was unable to give us a population to test for the CSR Data Collection Report.

Effect: MHBG Grant. The Center is required to submit quarterly reports of the anticipated number of uninsured/underinsured clients who will benefit, number of service hours and how expenditures will be tracked to the Community Mental Health Quality Improvement Field Staff. The Center was unable to provide support to verify the reports were submitted in a timely manner.

Effect: GMHI Grant. The Center is required to submit quarterly program and financial reports on the template coauthored with KDADS, describing the use of these funds to KDADS on or before the 30th day of the month following the calendar quarter. The Center was unable to provide support to verify the reports were submitted in a timely manner.

Recommendation: The Center's written risk assessment to identify the time deadlines of data submission for compliance requirements of the different grants the center receives should be monitored.

Response: Effective July 1, 2014 the Center was undesignated as Cowley County's community mental health center (CMHC) and the State of Kansas CMHC license was transferred to Four County Mental Health Center, Inc. In becoming the County's newly designated CMHC, Four County MHC assumed all grant awards and responsibilities for the geographic area formerly served by the Center. In an effort to demonstrate adequate internal controls Four County MHC attests to maintaining date-stamped electronic records of all AIMS data submissions on a rolling two year schedule (updated monthly) and indefinitely maintaining date-stamped electronic records of all MHBG and GMHI quarterly report submissions.

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF EXCESS CASH
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -E-

Cash and Cash Equivalents		\$ 1,013,793.61
Liquid Investments		-
Total Cash and Liquid Investments		<u>\$ 1,013,793.61</u>
Fiscal Year 2014 Expenses	\$ 3,822,313.74	
Six Month Average Expenses		<u>1,911,156.87</u>
Cash Over (Under) Six Month Average Expenses		<u>\$ (897,363.26)</u>
Excess Cash		<u><u>\$ -</u></u>

For the purpose of this statement, the following definitions have been used:

Cash and Cash Equivalents includes all cash on hand, checking, savings and repurchase agreement accounts.

Liquid Investments includes certificates of deposit with a maturity date of one year or less.

See Auditors' Report

APPENDICES

OTHER SUPPLEMENTARY INFORMATION

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
TRANSITIONS
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 1 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 309.63	\$ -	\$ 309.63
Third Party	3,167.95	-	3,167.95
Privatization	337,504.28	390,000.00	(52,495.72)
Medicaid/Welfare	114,312.57	94,031.72	20,280.85
Other	1,589.86	-	1,589.86
Refunds-Patient Fees	(97.47)	-	(97.47)
Total Cash Receipts	<u>\$ 456,786.82</u>	<u>\$ 484,031.72</u>	<u>\$ (27,244.90)</u>
Expenditures			
Salaries	\$ 73,769.38	\$ 73,297.23	\$ (472.15)
Transitions Daily Fee	221,181.29	216,000.00	(5,181.29)
Payroll Taxes	6,700.14	7,329.72	629.58
Employee Benefits	7,322.51	14,281.84	6,959.33
Group Activities	564.32	800.00	235.68
Travel (Staff)	2,170.25	1,680.00	(490.25)
Meals (Staff)	39.68	250.00	210.32
Educational Leave	560.00	2,000.00	1,440.00
Staff Education	248.39	-	(248.39)
Recruiting	927.36	500.00	(427.36)
Advertising	-	500.00	500.00
Dues	75.00	75.00	-
Telephone	540.00	1,080.00	540.00
Contract Labor	108.75	-	(108.75)
Other	25.00	50.00	25.00
Administrative Allocation	44,366.57	48,794.29	4,427.72
Total Expenditures	<u>\$ 358,598.64</u>	<u>\$ 366,638.08</u>	<u>\$ 8,039.44</u>
Cash Receipts Over (Under) Expenditures	<u>\$ 98,188.18</u>		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
CLINICAL
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 2 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 24,773.00	\$ 39,455.22	\$ (14,682.22)
Third Party	31,542.77	26,191.91	5,350.86
Medicare	4,399.49	-	4,399.49
Privatization	33,456.60	-	33,456.60
State-MHR	-	33,456.60	(33,456.60)
Other Income	3,122.04	-	3,122.04
Medicaid/Welfare	207,914.31	50,691.93	157,222.38
Grants-Cowley County	15,000.00	15,000.00	-
Grants-State Aid	32,405.72	32,405.75	(0.03)
Grants - GMHI	97,302.85	24,709.41	72,593.44
Refunds-Patient Fees	(1,347.74)	(2,000.00)	652.26
Total Cash Receipts	\$ 448,569.04	\$ 219,910.82	\$ 228,658.22
Expenditures			
Salaries	\$ 181,851.95	\$ 274,944.82	\$ 93,092.87
Payroll Taxes	14,324.54	39,500.00	25,175.46
Employee Benefits	16,009.45	35,781.54	19,772.09
Medicaid Screen Fee	7,897.50	8,000.00	102.50
Client Activities	575.97	2,000.00	1,424.03
Staff Activities	-	50.00	50.00
Travel (Staff)	1,978.02	3,490.71	1,512.69
Meals (Staff)	28.39	125.00	96.61
Clinical Supplies	1,421.11	5,000.00	3,578.89
Educational Leave	2,685.00	3,000.00	315.00
Staff Education	3,302.10	1,600.00	(1,702.10)
Recruiting	795.90	1,200.00	404.10
Dues	50.00	-	(50.00)
Telephone	1,254.71	1,920.00	665.29
Contract Labor	1,440.00	9,015.00	7,575.00
Administrative Allocation	107,811.87	83,767.03	(24,044.84)
Total Expenditures	\$ 341,426.51	\$ 469,394.10	\$ 127,967.59
Cash Receipts Over (Under) Expenditures	\$ 107,142.53		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
COMMUNITY SUPPORT SERVICES
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 3 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 6,912.70	\$ 5,300.00	\$ 1,612.70
Third Party	693.80	400.00	293.80
Medicaid/Welfare	327,215.85	294,177.24	33,038.61
Grants-State Mental Health Reform	66,913.20	66,913.20	-
Grants-State Aid	32,405.76	32,405.75	0.01
Grants - Interim Housing	4,003.82	-	4,003.82
Grants - Block	6,424.42	16,657.52	(10,233.10)
Grants - GMHI	16,657.36	24,709.41	(8,052.05)
Other	22,325.85	-	22,325.85
Refunds-Patient Fees	(145.32)	-	(145.32)
Total Cash Receipts	<u>\$ 483,407.44</u>	<u>\$ 440,563.12</u>	<u>\$ 42,844.32</u>
Expenditures			
Salaries	\$ 192,129.81	\$ 188,783.29	\$ (3,346.52)
Payroll Taxes	17,082.45	28,317.49	11,235.04
Employee Benefits	31,402.04	40,189.73	8,787.69
Client Activities	-	260.00	260.00
Staff Activities	-	100.00	100.00
Travel (Staff)	8,091.39	15,500.00	7,408.61
Meals (Staff)	104.38	350.00	245.62
Clinical Supplies	-	100.00	100.00
Flex Funds	3,922.03	-	(3,922.03)
Educational Leave	1,701.00	1,000.00	(701.00)
Staff Education	240.00	500.00	260.00
Recruiting	343.46	1,200.00	856.54
Employee Gifts	73.29	-	(73.29)
Utilities	636.88	1,200.00	563.12
Rent	300.00	4,500.00	4,200.00
Telephone	1,730.00	3,240.00	1,510.00
Administrative Allocation	133,290.14	146,592.30	13,302.16
Total Expenditures	<u>\$ 391,046.87</u>	<u>\$ 431,832.81</u>	<u>\$ 40,785.94</u>
Cash Receipts Over (Under) Expenditures	<u>\$ 92,360.57</u>		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
COMMUNITY BASED SERVICES
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 4 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 11,023.93	\$ 2,850.00	\$ 8,173.93
Third Party	54,416.54	34,772.40	19,644.14
Medicare	538.84	-	538.84
Medicaid/Welfare	1,265,083.35	1,200,000.00	65,083.35
Other	3,320.75	12,883.88	(9,563.13)
Grants - Block Grant	724.32	724.24	0.08
Refunds-Patient Fees-Clinical	(1,267.78)	-	(1,267.78)
Total Cash Receipts	\$ 1,333,839.95	\$ 1,251,230.52	\$ 82,609.43
Expenditures			
Salaries	\$ 538,474.47	\$ 505,556.43	\$ (32,918.04)
Payroll Taxes	45,559.80	51,000.00	5,440.20
Employee Benefits	71,756.06	76,373.06	4,617.00
Group Activities	112.39	200.00	87.61
Client Activities	410.07	-	(410.07)
Staff Activities	-	300.00	300.00
Travel (Staff)	19,701.60	42,000.00	22,298.40
Meals (Staff)	195.65	2,000.00	1,804.35
Clinical Supplies	299.00	1,500.00	1,201.00
Educational Leave	1,622.00	4,000.00	2,378.00
Staff Education	280.17	1,000.00	719.83
Recruiting	271.00	1,000.00	729.00
Employee Gift	72.09	-	(72.09)
Telephone	3,040.00	6,480.00	3,440.00
Rent	16,021.89	17,136.00	1,114.11
Other	25.00	-	(25.00)
Administrative Allocation	314,603.24	385,328.32	70,725.08
Total Expenditures	\$ 1,012,444.43	\$ 1,093,873.81	\$ 81,429.38
Cash Receipts Over (Under) Expenditures	\$ 321,395.52		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
MEDICAL MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 5 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 18,459.80	\$ 15,600.00	\$ 2,859.80
Third Party	26,107.60	22,000.00	4,107.60
Medicare	11,003.67	17,000.00	(5,996.33)
Other Income	495.41	-	495.41
Medicaid/Welfare	74,495.58	60,000.00	14,495.58
Grants-State Aid	64,811.52	64,811.50	0.02
Grants-State Mental Health Reform	11,152.20	11,152.20	-
Grants-Sunflower	74,751.00	-	74,751.00
Grants - GMHI	23,002.30	25,458.18	(2,455.88)
Refunds-Patient Fees	23.10	(500.00)	523.10
Total Cash Receipts	\$ 304,302.18	\$ 215,521.88	\$ 88,780.30
Expenditures			
Salaries	\$ 173,695.45	\$ 272,655.18	\$ 98,959.73
Payroll Taxes	14,990.80	27,265.52	12,274.72
Employee Benefits	802.38	3,388.47	2,586.09
Client Medications	30.00	400.00	370.00
Travel	941.61	3,250.00	2,308.39
Recruiting	13,346.00	70,000.00	56,654.00
Staff Activities	-	50.00	50.00
Meals (Staff)	-	150.00	150.00
Clinical Supplies	-	400.00	400.00
Educational Leave	-	2,300.00	2,300.00
Consultants	18,200.00	-	(18,200.00)
Office Supplies	579.75	2,500.00	1,920.25
Contract Labor	60,100.00	-	(60,100.00)
Administrative Allocation	61,884.71	68,060.71	6,176.00
Total Expenditures	\$ 344,570.70	\$ 450,419.88	\$ 105,849.18
Cash Receipts Over (Under) Expenditures	\$ (40,268.52)		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
CHILDREN'S ATTENDANT CARE
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 6 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 355.67	\$ -	\$ 355.67
Third Party	9,564.50	-	9,564.50
Medicaid/Welfare	427,495.79	672,000.00	(244,504.21)
Medicaid Transportation	-	1,000.00	(1,000.00)
Grants - Block	724.32	724.32	-
Total Cash Receipts	<u>\$ 438,140.28</u>	<u>\$ 673,724.32</u>	<u>\$ (235,584.04)</u>
Expenditures			
Salaries	\$ 161,733.02	\$ 162,581.83	\$ 848.81
Payroll Taxes	16,649.69	16,000.00	(649.69)
Employee Benefits	18,009.86	23,712.33	5,702.47
Group Activities	641.10	800.00	158.90
Staff Activities	-	100.00	100.00
Travel (Staff)	3,754.17	1,400.00	(2,354.17)
Meals	4.17	-	(4.17)
Staff Education	300.00	200.00	(100.00)
Recruiting	1,296.83	1,200.00	(96.83)
Employee Gift	39.95	-	(39.95)
Telephone	1,200.00	3,240.00	2,040.00
Rent	16,021.89	16,632.00	610.11
Administrative Allocation	158,615.25	174,444.83	15,829.58
Total Expenditures	<u>\$ 378,265.93</u>	<u>\$ 400,310.99</u>	<u>\$ 22,045.06</u>
Cash Receipts Over (Under) Expenditures	<u>\$ 59,874.35</u>		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
COMMUNITY DAY SCHOOL
FOR THE YEAR ENDED JUNE 30, 2014

Appendix -F-
Page 7 of 12

	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 658.62	\$ 100.00	\$ 558.62
Third Party	8,250.43	5,400.00	2,850.43
Medicaid/Welfare	565,459.62	555,662.88	9,796.74
Medicaid Transportation	-	600.00	(600.00)
Total Cash Receipts	<u>\$ 574,368.67</u>	<u>\$ 561,762.88</u>	<u>\$ 12,605.79</u>
Expenditures			
Salaries	\$ 228,058.27	\$ 180,137.63	\$ (47,920.64)
Payroll Taxes	21,446.22	16,000.00	(5,446.22)
Employee Benefits	22,921.04	28,339.85	5,418.81
Group Activities	895.14	1,500.00	604.86
Client Activities	148.37	200.00	51.63
Staff Activities	-	100.00	100.00
Travel (Staff)	2,314.51	3,600.00	1,285.49
Meals (Staff)	103.16	100.00	(3.16)
Staff Education	460.37	200.00	(260.37)
Recruiting	408.32	400.00	(8.32)
Telephone	2,209.68	3,240.00	1,030.32
Internet Services	682.77	1,800.00	1,117.23
Office Supplies	5.00	500.00	495.00
Equipment Maintenance and Repair	-	200.00	200.00
Administrative Allocation	164,990.02	167,534.05	2,544.03
Total Expenditures	<u>\$ 444,642.87</u>	<u>\$ 403,851.53</u>	<u>\$ (40,791.34)</u>
Cash Receipts Over (Under) Expenditures	<u>\$ 129,725.80</u>		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2014

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	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 5,536.49	\$ 2,500.00	\$ 3,036.49
Third Party	47.56	-	47.56
Other Income	13,850.13	9,000.00	4,850.13
Medicaid/Welfare	8,505.32	1,000.00	7,505.32
Medicaid/Transportation	18,561.70	500.00	18,061.70
Grant-State: KDOT	10,000.00	-	10,000.00
Interest	94.90	250.00	(155.10)
Hospitality	568.50	900.00	(331.50)
Patient Refunds	-	(1,100.00)	1,100.00
Total Cash Receipts	\$ 57,164.60	\$ 13,050.00	\$ 44,114.60
Expenditures			
Salaries	\$ 522,174.82	\$ 536,468.62	\$ 14,293.80
Bonuses	410.58	1,000.00	589.42
Payroll Taxes	50,408.24	56,500.00	6,091.76
Employee Benefits	100,294.64	160,637.82	60,343.18
403b Fees	2,002.00	4,320.00	2,318.00
Travel (Staff)	3,901.30	4,500.00	598.70
Meals (Staff)	2,433.19	2,500.00	66.81
Educational Leave	3,307.61	3,000.00	(307.61)
Staff Education	7,025.94	2,500.00	(4,525.94)
Consultants	13,218.37	5,000.00	(8,218.37)
Staff Activities	-	5,000.00	5,000.00
Vehicle	10,076.21	32,000.00	21,923.79
Gas	40,262.72	58,800.00	18,537.28
Recruiting	2,802.12	2,000.00	(802.12)
Advertising	7,526.05	12,398.70	4,872.65
Dues	17,148.44	16,000.00	(1,148.44)
Employee Gift	45.16	-	(45.16)
Telephone	9,930.30	18,000.00	8,069.70
Internet Service	14,378.02	20,400.00	6,021.98
Postage	4,263.35	7,500.00	3,236.65
Office Supplies	16,896.67	24,000.00	7,103.33
Equipment	7,878.52	2,000.00	(5,878.52)
Subtotal Expenditures	\$ 836,384.25	\$ 974,525.14	\$ 138,140.89

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2014

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	2014	2014	Variance
	Actual	Budget	Favorable
			(Unfavorable)
Expenditures Continued			
Computer Equipment	\$ 51,913.40	\$ 41,000.00	\$ (10,913.40)
Equipment Rental	11,825.37	-	(11,825.37)
Computer Software/License	47,905.76	26,850.00	(21,055.76)
Computer Software	21,189.96	57,550.00	36,360.04
Equipment Repair	3,741.01	6,600.00	2,858.99
Computer Hardware Support	23,133.72	24,130.00	996.28
Subscriptions	-	250.00	250.00
Utilities	49,846.29	64,000.00	14,153.71
Insurance	73,267.67	84,917.00	11,649.33
Rent	1,800.00	16,632.00	14,832.00
Contracts	750.22	9,639.96	8,889.74
Contract Labor	34,799.95	1,000.00	(33,799.95)
Building Repairs	11,403.51	7,500.00	(3,903.51)
Accounting Fees	11,792.29	14,000.00	2,207.71
Legal Fees	29,734.70	29,856.00	121.30
Janitorial	7,120.86	12,000.00	4,879.14
Yard Maintenance	6,595.00	3,200.00	(3,395.00)
Other	5,360.18	1,500.00	(3,860.18)
Hospitality	825.87	900.00	74.13
Bond Costs	39,420.00	39,420.00	-
Bank Charges	1,577.35	1,500.00	(77.35)
Penalties/Interest	-	500.00	500.00
Administrative Allocation	(1,138,464.68)	(1,242,683.84)	(104,219.16)
Total Expenditures	\$ 131,922.68	\$ 174,786.26	\$ 42,863.58
Cash Receipts Over (Under) Expenditures	\$ (74,758.08)		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
ALCOHOL AND DRUG PROGRAM
FOR THE YEAR ENDED JUNE 30, 2014

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	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ 11,277.34	\$ 16,000.00	\$ (4,722.66)
Third Party	16,747.89	34,000.00	(17,252.11)
Medicaid/Welfare	59,573.47	120,000.00	(60,426.53)
Grants-ADAS	25,019.30	35,000.00	(9,980.70)
Refunds-Patient Fees	(328.00)	(800.00)	472.00
Total Cash Receipts	<u>\$ 112,290.00</u>	<u>\$ 204,200.00</u>	<u>\$ (91,910.00)</u>
Expenditures			
Salaries	\$ 85,076.90	\$ 115,141.44	\$ 30,064.54
Payroll Taxes	6,847.48	9,800.00	2,952.52
Employee Benefits	8,138.83	20,114.69	11,975.86
Group Activities	-	180.00	180.00
Client Activities	494.00	-	(494.00)
Staff Activities	-	50.00	50.00
Travel (Staff)	349.41	500.00	150.59
Meals	130.13	-	(130.13)
Clinical Supplies	468.99	500.00	31.01
Educational Leave	1,822.01	3,000.00	1,177.99
Recruiting	-	500.00	500.00
Dues	100.00	-	(100.00)
Telephone	60.00	-	(60.00)
Office Supplies	-	100.00	100.00
Administrative Allocation	51,411.91	56,542.74	5,130.83
Total Expenditures	<u>\$ 154,899.66</u>	<u>\$ 206,428.87</u>	<u>\$ 51,529.21</u>
Cash Receipts Over (Under) Expenditures	<u>\$ (42,609.66)</u>		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
CHILDREN'S CRISIS HOUSE
FOR THE YEAR ENDED JUNE 30, 2014

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	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Third Party	\$ 188.16	-	\$ 188.16
Medicaid/Welfare	230,789.75	324,000.00	(93,210.25)
Total Cash Receipts	<u>\$ 230,977.91</u>	<u>\$ 324,000.00</u>	<u>\$ (93,022.09)</u>
Expenditures			
Salaries	\$ 84,729.52	\$ 110,000.00	\$ 25,270.48
Payroll Taxes	9,732.23	17,000.00	7,267.77
Employee Benefits	339.26	10,081.13	9,741.87
Staff Education	300.00	160.00	(140.00)
Staff Activities	-	100.00	100.00
Travel (Staff)	-	500.00	500.00
Recruiting	2,409.70	500.00	(1,909.70)
Dues	15.00	-	(15.00)
Internet Service	1,782.31	1,680.00	(102.31)
Telephone	150.00	360.00	210.00
Office Supplies	-	200.00	200.00
Crisis House Supplies	226.63	600.00	373.37
Crisis House Food Costs	5,312.85	4,500.00	(812.85)
Utilities	1,848.20	2,600.00	751.80
Building Maintenance/Repair	908.78	-	(908.78)
Yard Maintenance	250.00	-	(250.00)
Administrative Allocation	101,490.97	111,619.56	10,128.59
Total Expenditures	<u>\$ 209,495.45</u>	<u>\$ 259,900.69</u>	<u>\$ 50,405.24</u>
Cash Receipts Over (Under) Expenditures	<u>\$ 21,482.46</u>		

COWLEY COUNTY MENTAL HEALTH AND COUNSELING CENTER
COWLEY COUNTY, KANSAS
STATEMENT OF REVENUES AND EXPENDITURES BY DEPARTMENT
TRANSPORTATION
FOR THE YEAR ENDED JUNE 30, 2014

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	2014 Actual	2014 Budget	Variance Favorable (Unfavorable)
Cash Receipts			
Patient Fees	\$ -	\$ -	\$ -
Third Party	20.00	-	20.00
Medicaid/SED	-	-	-
Medicaid/Welfare	-	-	-
Medicaid Transport	-	-	-
Income Grants -ADAS	-	-	-
Total Cash Receipts	<u>\$ 20.00</u>	<u>\$ -</u>	<u>\$ 20.00</u>
Expenditures			
Salaries	\$ -	\$ -	\$ -
Payroll Taxes	-	-	-
Employee Benefits	-	-	-
Travel (Staff)	-	-	-
Meals	-	-	-
Education Leave	-	-	-
Staff Education	-	-	-
Staff Activities	-	-	-
Vehicle	-	-	-
Gas	-	-	-
Recruiting	-	-	-
Telephone	-	-	-
Office Supplies	-	-	-
Insurance	-	-	-
Rent	-	-	-
Administrative Allocation	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	<u>\$ 20.00</u>		